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Global Financial Sponsor M&A Entry Volume Reaches Highest 1H Volume since 1H 2007

By Tara Doyle

- **Global financial sponsor (FS) M&A entry** volume reached \$135.4bn in 1H 2013 YTD, the highest 1H volume since 1H 2007 (474.8bn), and up 77% from 1H 2012 (\$76.7bn). **Global FS M&A exit** volume, however, totaled to only \$88.3bn via 411 deals in the first six months of this year, marking the lowest 1H volume since 2010
 - Despite the increase in entry volume, FS M&A entry activity dropped to 809 deals in the first half of this year, down 18% from the 991 deals announced in 1H 2012, and the lowest six-month total since 2H 2009
- US targeted FS entries account for \$82.9bn, or 63%, of global FS M&A entries announced 1H 2013, up 107% from the same period in 2012
- The **Food & Beverage** industry was the most targeted sector for FS entry deals, accounting for 30.8% (\$40.3bn) of global volume in 1H 2013. The **Computers & Electronics** sector followed closely behind, with \$40.1bn, or 30.7%
 - **Berkshire Hathaway** and **3G Capital's** \$27.5bn acquisition of **HJ Heinz Co** accounts for 68% of the total \$40.3bn food & beverage targeted entries announced in the first half of this year
 - **Silver Lake's** \$20.7bn bid for **Dell Inc** makes up 52% of computers & electronics targeted entry volume, while the May 6th \$7.0bn bid for **BMC Software**, the largest FS entry deal announced in 2Q, accounts for 18%
- The **Heinz** and **Dell** transactions mark the return of the \$20+bn deals not seen since the first half of 2007. \$5-10bn deals saw a 116% increase in volume as they jumped to \$15.5bn from \$7.2bn from 1H 2012. Deals less than \$500m on the other hand, fell by 16% from the same time period in the year prior (\$27.1bn)
- **JPMorgan** leads the global FS M&A entry advisor ranking with \$67.7bn in 1H 2013, followed by **Bank of America Merrill Lynch** with \$67.4bn and **Goldman Sachs** with \$48.7bn

